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SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Telephone ATLantic 8-2571

Market Administrator
220 S. William Street
P. O. Box 216
South Bend 24, Indiana

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. IV, No. 3

March 1960

FEBRUARY UNIFORM PRICE \$3.95

Dairy farmers will receive a uniform price of \$3.95 for February 1960 deliveries of Grade A milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The uniform price is based upon a butterfat differential of 7 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This minimum price is subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge.

PRODUCER RECEIPTS

Comparison of producer receipts on a daily basis with January receipts shows daily production increased by 2.25 percent and 9.4 percent increase over February 1959. Daily herd production is almost 100 pounds per day more than February 1959, but the number of producers has decreased by 95. The reduction in producers has been gradual over the past year and is in direct relation to the change-over from can shippers to bulk tank shippers with several can shippers dropping out rather than convert to bulk tank.

CLASS I SALES

Class I sales in January 1960 were slightly less than the year before, whereas in February they are slightly higher than February of the previous year. One factor that can have an effect on these sales statistics are the every other day delivery and the number of week-ends in any particular month. Another factor affecting Class I sales could be the elimination of a pool handler by the pool plant provisions in the order, whereby one month the handler would be a pool plant handler and the next month on a compensatory basis.

CLASS I PRICE

The Class I price for the March 1960 delivery period will be \$3.96 per hundredweight for 3.5 percent milk. This price was computed by adding \$0.90 per hundredweight to the average price of the 12 condenseries in February (\$3.12) and subtracting the supply-demand adjustment of 6 cents. The supply-demand adjustment for the April 1960 delivery period will also be a minus 6 cents. This is derived from dividing the January and February Class I sales by the January and February producer receipts and comparing this percentage (73%) with the percentage stated in the order of 76%. The difference multiplied by 2 gives the supply-demand adjustment.

ORDER NO. 67 PRICES
 Class Prices and Uniform Prices Per Cwt. for 3.5% Milk
Average Prices For the Years 1953-1957 And by Months From 1958 To Date

Year and Month	CLASS I		CLASS II		CLASS III		UNIFORM PRICES	
	Differ- ential	Supply Demand	Milk Price	Differ- ential	Milk Price	Milk Price	Milk Price	B. F. Differ- ential
1953	\$ 1.10	\$- .105	\$4.370	\$ --	\$ --	\$3.141	\$4.107	\$.079
1954	1.10	- .243	3.930	--	--	2.874	3.636	.072
1955	1.10	- .134	4.000	--	--	3.018	3.785	.069
1956	1.22	- .049	4.277	--	--	3.118	4.005	.071
1957	1.10	- .177	4.060	.59	3.688	3.126	3.833	.071
<u>1958</u>								
Jan.	\$ 1.10	\$- .18	\$4.066	\$.70	\$3.846	\$3.133	\$3.920	\$.071
Feb.	1.10	- .18	4.053	.70	3.833	3.110	3.880	.071
Mar.	.90	- .18	3.830	.45	3.560	3.082	3.620	.071
Apr.	.90	- .18	3.802	.45	3.532	2.956	3.570*	.069
May	.90	- .18	3.676	.45	3.406	2.896	3.340*	.069
June	.90	- .18	3.616	.45	3.346	2.890	3.290*	.069
July	.90	- .18	3.610	.45	3.340	2.921	3.400*	.069
Aug.	1.30	- .24	3.980	.70	3.620	2.960	3.810	.070
Sept.	1.30	- .24	4.020	.70	3.660	3.000	3.910	.072
Oct.	1.30	- .02	4.280	.70	3.700	3.040	4.140	.070
Nov.	1.30	+ .16	4.500	.70	3.740	3.050	4.290	.070
Dec.	1.10	+ .18	4.330	.70	3.750	3.070	4.150	.072
Av.	\$ 1.08	\$- .118	\$3.980	\$.60	\$3.611	\$3.009	\$3.777	\$.070
<u>1959</u>								
Jan.	\$ 1.10	\$+ .06	\$4.23	\$.70	\$3.770	\$3.060	\$4.060	\$.069
Feb.	1.10	+ .06	4.22	.70	3.760	3.060	4.020	.069
Mar.	.90	+ .08	4.04	.45	3.510	3.010	3.830	.069
Apr.	.90	+ .08	3.99	.45	3.460	2.950	3.780*	.069
May	.90	+ .04	3.89	.45	3.400	2.920	3.590*	.069
June	.90	+ .06	3.88	.45	3.370	2.910	3.620*	.070
July	1.10	+ .04	4.05	.45	3.360	2.930	3.860*	.070
Aug.	1.30	+ .02	4.25	.70	3.630	2.960	4.030	.072
Sept.	1.30	+ .08	4.34	.70	3.660	3.020	4.170	.075
Oct.	1.30	+ .12	4.45	.70	3.730	3.100	4.230	.075
Nov.	1.30	+ .14	4.54	.70	3.800	3.150	4.270	.077
Dec.	1.10	+ .12	4.37	.70	3.850	3.150	4.130	.074
Av.	\$ 1.10	\$+ .075	\$4.188	\$.60	\$3.608	\$3.018	\$3.966	\$.072
<u>1960</u>								
Jan.	\$ 1.10	\$- .04	\$4.21	\$.70	\$3.850	\$3.13	\$3.960	\$.070
Feb.	1.10	- .06	4.17	.70	3.830	3.12	3.950	.070
Mar.	.90	- .06	3.96	.45	3.570			

* The price shown here is the weighted average of the base price and the excess price.

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UTILIZATION AND CLASSIFICATION OF MILK

CLASS	February 1960		February 1959	
	Reported Data		Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
<u>CLASS I</u>				
Milk	13,996,525	503,330	12,915,780	463,823
Skim Milk	187,262	536	117,503	126
Fortified Skim Milk	870,357	17,955	1,163,260	23,566
Buttermilk	162,402	1,382	138,188	1,241
Flavored Milk and Drink	541,827	16,933	481,515	14,509
Cereal Mixture	245,660	30,211	272,341	33,292
Coffee Cream	21,222	4,203	25,323	5,085
Whipping Cream	32,246	11,921	36,052	13,217
Sour Cream	21,371	4,301	11,746	2,367
Total Class I Utilization	16,078,872	590,772	15,161,708	557,226
Add: Class I Shrinkage	52,970	7,014	75,962	8,782
Subtract: Other Source Receipts	13,103	--	309	309
Subtract: Overage	1,571	--	--	--
Net Class I	16,117,168	597,786	15,237,361	565,699
<u>CLASS II</u>				
Used to Produce Cottage Cheese	1,347,799	14,694	1,053,550	11,736
Subtract: Other Source Receipts	1,915	--	53	53
Subtract: Overage	--	--	--	--
Net Class II	1,345,884	14,694	1,053,497	11,683
<u>CLASS III</u>				
Class III Products	4,654,196	245,327	2,999,572	176,296
Inventory Variation	(97,331)	45	(14,074)	1,968
Total Class III Utiliation	4,556,865	245,372	2,985,498	178,264
Add: Class III Shrinkage	169,187	14,009	135,901	9,910
Subtract: Other Source Receipts	267,574	4,798	84,463	6,102
Subtract: Overage	33,686	823	10,409	--
Net Class III	4,424,792	253,760	3,026,527	182,072
TOTAL PRODUCER RECEIPTS	21,887,844	866,240	19,317,385	759,454

MISCELLANEOUS INFORMATION

	February 1960	January 1960	February 1959
Average Daily Production	754,753#	738,091#	689,907#
February 1960 Production Compared With -	--	+ 2.26%	+ 9.40%
Class I Daily Average	554,444#	535,568#	541,490#
February 1960 Sales Compared With -	--	+ 3.52%	+ 2.39%
Number of Producers	1,201	1,208	1,296
Daily Herd Production	628#	611#	532#
Av. Test of Producer Milk Received	3.95763%	3.98692%	3.93145%
Total Value Paid Producers	\$934,685.68	\$981,696.21	\$834,181.25
Av. Monthly Milk Check Per Farm	\$ 778.26	\$ 812.66	\$ 643.66
Av. Daily Milk Check Per Farm	\$ 26.84	\$ 26.21	\$ 22.99

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK

Year	CLASS I		CLASS II		CLASS III		Total Producer Receipts
	Pounds	Percent	Pounds	Percent	Pounds	Percent	
1953	7,342,338	75.6	--	--	2,369,395	24.4	9,711,733
1954	7,272,928	70.4	--	--	3,058,935	29.6	10,331,863
1955	8,692,563	76.3	--	--	2,695,649	23.7	11,388,212
1956	10,125,716	75.4	--	--	3,302,901	24.6	13,428,617
1957	11,720,328	70.8	1,107,967	6.7	3,725,823	22.5	16,554,118
<u>1958</u>							
Jan.	12,421,993	78.0	1,207,200	7.6	2,287,650	14.4	15,916,843
Feb.	10,961,276	74.6	1,188,797	8.1	2,536,701	17.3	14,686,774
Mar.	11,777,301	69.4	1,332,925	7.8	3,865,790	22.8	16,976,016
Apr.	11,446,743	66.7	1,324,083	7.7	4,377,875	25.6	17,148,701
May	11,496,472	55.5	1,320,121	6.4	7,895,482	38.1	20,712,075
June	10,219,240	52.2	1,427,278	7.3	7,931,209	40.5	19,577,727
July	10,864,823	64.6	1,610,135	9.6	4,352,884	25.8	16,827,842
Aug.	15,936,403	80.1	1,374,096	6.9	2,586,484	13.0	19,896,983
Sept.	16,553,043	85.0	1,401,002	7.2	1,512,909	7.8	19,466,954
Oct.	17,669,313	84.7	1,427,728	6.9	1,752,656	8.4	20,849,697
Nov.	16,198,889	82.0	1,132,901	5.7	2,420,067	12.3	19,751,857
Dec.	16,659,844	81.9	979,123	4.8	2,704,318	13.3	20,343,285
Av.	13,517,112	73.0	1,310,449	7.1	3,685,335	19.9	18,512,896
<u>1959</u>							
Jan.	16,988,480	81.2	1,084,208	5.2	2,853,643	13.6	20,926,331
Feb.	15,239,825	78.9	1,053,372	5.5	3,017,745	15.6	19,310,942
Mar.	16,463,653	76.1	1,146,541	5.3	4,014,965	18.6	21,625,159
Apr.	16,278,936	76.8	1,218,411	5.7	3,705,029	17.5	21,202,376
May	17,020,842	66.8	1,476,387	5.8	6,996,009	27.4	25,493,238
June	16,143,898	69.5	1,625,641	7.0	5,452,167	23.5	23,221,706
July	16,656,834	80.0	1,257,357	6.1	2,898,176	13.9	20,812,367
Aug.	16,205,279	80.1	1,098,487	5.4	2,938,472	14.5	20,242,238
Sept.	17,271,583	84.0	1,107,034	5.4	2,182,542	10.6	20,561,159
Oct.	18,015,868	79.9	1,346,159	6.0	3,175,402	14.1	22,537,429
Nov.	15,951,304	76.8	1,106,991	5.3	3,704,095	17.9	20,762,390
Dec.	16,843,414	76.0	1,017,108	4.6	4,293,444	19.4	22,153,966
Av.	16,589,993	76.9	1,211,475	5.6	3,769,307	17.5	21,570,775
<u>1960</u>							
Jan.	16,630,974	72.7	1,303,077	5.7	4,946,776	21.6	22,880,827
Feb.	16,117,168	73.6	1,345,884	6.2	4,424,792	20.2	21,887,844